

CK. ATT.

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G E O L O G I S T

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January 7, 2003

Honorable James H. Welsh
Commissioner of Conservation
Department of Natural Resources
Office of Conservation
P. O. Box 94275
Baton Rouge, Louisiana 70804-9275

**RE: APPLICATION FOR HEARING
MIOCENE Zone, Reservoir A
STELLA FIELD
Plaquemines Parish, Louisiana**

Dear Sir:

Application is hereby given on behalf of **KEY OPERATING COMPANY** ("Applicant") to apply for a public hearing to consider evidence relative to the issuance of an order pertaining to the following matters relating to the MIOCENE Zone, Reservoir A, in the Stella Field, Plaquemines Parish, Louisiana:

1. To dissolve the units numbered 144, 145, 146, 147, 148, 149, 429, 430 and 431 created by Office of Conservation Order No. 27-A, effective December 9, 1941, only as they affect the proposed MIOCENE Zone, Reservoir A and to simultaneously therewith create a single drilling and production unit of approximately 93 acres for the exploration and the production of oil and gas from the MIOCENE Zone, Reservoir A in Stella Field, Plaquemines Parish, Louisiana.
2. To establish rules and regulations governing the exploration for and production of oil and gas from the MIOCENE Zone, Reservoir A.
3. To create a single drilling and production unit for the exploration and production of oil and gas from the MIOCENE Zone, Reservoir A, such unit being shown on the attached plat and being designated MIOCENE RA SUA being approximately 93 acres.
4. To force pool and integrate all separately owned tracts, mineral leases and other property interests within the proposed unit with each tract sharing in unit production on a surface acreage basis of participation.
5. To designate Key Operating Company as Operator of, and its Numa C. Hero, No. 1 well, as the unit well for, the proposed unit.
6. To propose that all wells drilled in the future to the MIOCENE Zone outside of the unit proposed herein be located in accordance with the provisions of Statewide Order No. 29-E.
7. To provide that said unit well, any future replacement and/or alternate unit well for MIOCENE RA SUA be exempt from the well location provisions of Statewide Order No. 29-E.

8. To provide that the Commissioner of Conservation may reclassify the reservoir by Supplemental Order and without the necessity of a public hearing should such a reclassification be warranted based on evidence furnished to the Commissioner.
9. To define the MIOCENE Zone, Reservoir A, in the Stella Field, as that oil and gas bearing interval encountered between the electric log depths of 6,612 feet and 9,928 feet in the Key Operating Company – Numa C. Hero, No. 1 Well, located in Section 2, Township 15 South, Range 24 East, Plaquemines Parish, Louisiana.
10. To consider such other matters as may be pertinent.

Pertinent data concerning this application is available for inspection at the office of Bryan S. Groves, 110 Oil Center Drive, Building 13, Lafayette, Louisiana 70503. Any person wishing to inspect such data should call Bryan S. Groves at (337) 233-8032 during normal business hours in order to arrange a date and time for such inspection. A copy of any such data which is not otherwise available at the Office of Conservation can be obtained from Applicant at the expense of the requesting party.

In compliance with the Revised Rules of Procedure, a pre-application conference was provided, but no request for a conference was received and therefore, none was held.

Attached hereto is a plat outlining Applicant's proposed unit, which plat is identical to that attached to the pre-application notice. Also attached hereto is a list of the names and addresses of all Interested Owners, Represented Parties and Interested parties to whom a copy of this application is being sent. Pursuant to the Revised Rules of Procedure, such list is being forwarded to the District Manager of the Lafayette District of the Office of Conservation. A copy of the list will be furnished by the undersigned to any party so requesting. Applicant has made a reasonable effort to obtain a complete list of the names and addresses of all Interested Owners, Represented Parties and Interested Parties.

Applicant will provide for posting of a copy of the Legal Notice of this hearing and the enclosed plat at a prominent place in the area affected and will cause publication of the Legal Notice in a newspaper published in the general area of Stella Field, all in accordance with the Revised Rules of Procedure. Furthermore, a copy of the Legal Notice will be mailed to all Interested Owners, Represented Parties and Interested parties promptly upon receipt of the Legal Notice from the Commissioner.

Finally, we enclose our check payable to the Office of Conservation in the amount of \$755.00 for the application fee.

Sincerely,



Bryan S. Groves
Geologist

Enclosures

CC: Mr. Richard Hudson (w/encl.)
Interested Owners, Represented Parties
Interested Parties (w/plat only)

R - 24 E

sec. 18

MIO RA SU A
Numa C. Hero No 1
+/- 93 Acres

sec. 2

sec. 3

ALL PROPOSED UNIT
BOUNDARIES
ARE GEOGRAPHIC

2468 feet +/-

4463 feet +/-

3419 feet +/-

10,424'

Key Operating Co.
Numa C. Hero

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